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SUBJECT: FRANCE'S NEW DEVELOPMENT AID POLICY GOALS: EFFICIENCY AND
ADVANCING GOOD GOVERNANCE

¶1. (U) Summary: French State Secretary for Cooperation and Francophone Affairs Jean-Marie Bockel recently outlined France's public development aid priorities, which include developing clear strategic aims (such as support for good governance and democracy) through a variety of players, including NGOs and French cities, departments and regions. Bockel will work in close cooperation with a new French participant in the development arena, Brice Hortefeux, Minister of Immigration, Integration, National Identity and Co-development to maintain the coherence of French aid policy. GOF action is to be merged with that of its EU partners in countries where French presence is "not significant." End Summary.

Clear aims: Conditionality

¶2. (U) Speaking before representatives of French development aid players during a two-day seminar on International Cooperation and Development July 17-18, new Cooperation Secretary Jean-Marie Bockel set four conditions for granting foreign aid: a democratic government, public policies in favor of the neediest, respect for human rights, and anti-corruption policies. If these conditions cannot be met, political initiative must take over in the form of an agreement between major donors, Bockel said. He suggested that such an initiative be taken by the EU, the world's leading net contributor of public development aid.

Focus on a few strategic aims

¶3. (U) French aid programs must also be streamlined since "we can't do everything, be everywhere," Bockel noted. French aid should therefore be limited in scope, and focus on one or two strategic aims in each country, he said. The aims should meet one or more of five challenges: the environment, population growth, rural development, governance, and cultural and linguistic diversity. Bockel explained that governance did not only include fighting corruption but also ensuring fairness in international trade. He will speak on cultural diversity and France's cultural and linguistic policy at a separate venue.

Involve more players

¶4. (U) In addition to the French Development Agency (AFD), the GOF will call on other, less traditional players to implement these changes. The newest and most promising one stems from the "network of solidarity" spun by immigrants to France, Bockel stated. He said that he will work closely with Brice Hortefeux, Minister of Immigration, Integration, National Identity and Co-development to ensure that French aid policy remains coherent. Bockel's statement sheds some light on Hortefeux's involvement in "co-development."

The GOF will also give greater prominence to development NGOs and French sub-national entities (regions, departments, cities) because the "battle of development cannot be won without them," he observed.

Reforming the modalities for granting aid

¶5. (U) Given the new aims and players, Bockel argued for providing different types of aid to countries according to their high, low or intermediate level of governance. Low governance countries will require non-governmental aid. Capacity building and reconstruction will be given priority in the most fragile of these countries. In democratic countries France will cooperate with other donors, rather than try to outshine them, through budget support and sectoral support policies. Finally, in so-called intermediate countries, the French Development Agency AFD will grant subsidies, sovereign and non-sovereign loans and finance technical assistance based on national policies, as well as the 2005 Declaration of Paris on Aid Effectiveness.

French Public Development Aid in Numbers

¶6. (U) Bockel confirmed that France would abide by its pledge to increase its foreign assistance budget from its current 0.47 percent of GDP to 0.7 percent by 2015. In order to meet its commitment for a more generous and better-targeted development aid policy, Bockel told French development players that impact assessments would be carried out to test the efficiency of each project. He will also lead an outreach effort aimed more specifically at schools, universities, NGOs and local entities.

Comment

¶7. (SBU) Bockel's new tone is a reflection of President Sarkozy's pledge for new relations with Africa and an end to GOF support for dubious regimes. We will want to watch carefully to see if the new

focus on "International Development and Interdependent Solidarity" leads to more result-oriented policies and programs within the Cooperation Ministry, less channeling of promised aid increases through multilateral institutions such as the EU, and an effective pull-back from countries where others (such as the United States) have taken the lead. We note that the Sarkozy government has formally backed away from President Chirac's goal of increasing French ODA to 0.7% of GDP by 2012, in favor of the 2015 target pledged by EU member states in 2005. It is clear that France's development assistance budget will come under continuing pressure as the Sarkozy government moves forward with tax cut and budget consolidation priorities.

STAPLETON